

Legal Notice

Partial Bond Release and Comprehensive Five-Year Bond Review for Majesty Mining, Inc. (Hard Rock Mining Operating Permit No. 00162)

The Department of Environmental Quality (DEQ) has received a request for bond release from Majesty Mining, Inc. (MMI). MMI is authorized to operate an open pit cyanide heap leach mine under Operating Permit No. 00162. The site is on both private land and land managed by the US Bureau of Land Management in Sections 31 and 32, Township 3 South, Range 1 West, approximately 7 miles southwest of Norris, MT in Madison County.

DEQ currently holds a reclamation bond in the amount of \$108,384. DEQ is proposing to release \$14,673 and retain \$93,711 after both releasing bond for completed reclamation tasks and increasing the bond as a result of a comprehensive bond review.

The bond release was requested by MMI for the partial completion of reclamation and the repurpose of process ponds to stock water ponds at the completion of mining. The reclamation tasks completed include grading of the south side of the open pit, removal of fuel storage tanks, regrading and preparation for seeding of the waste rock dump storage area, and removal of some debris. DEQ has determined the partial completion of reclamation would decrease the currently required bond by \$56,442, resulting in a required bond of \$51,942.

In addition to the request for bond release, DEQ is conducting a comprehensive bond review for Operating Permit No. 00162. DEQ has determined that the current bonding level does not represent the present costs of compliance with the Metal Mine Reclamation Act, administrative rules adopted thereunder, and the operating permit. DEQ is proposing to increase the bond by \$41,769. The bond increase is largely due to changes in fuel price, equipment rates, removal of nonmobile site equipment and updated indirect costs such as mobilization, contingency and administration.

DEQ has determined the net effect on the bond from the release request (\$56,442) and increase as a result of the five-year comprehensive review (\$41,769) is a bond release of \$14,673.

The procedure for adjusting bonds as a result of a comprehensive bond review is set forth in Section 82-4-338(3), MCA. Pursuant to Section 82-4-338(5), Montana Code Annotated (MCA), DEQ may not release or decrease a reclamation bond until the public has been provided an opportunity for a hearing and a hearing has been held if requested. The company and the public will have until Monday, October 4, 2022, to comment on these proposed changes to the bond amount. DEQ will issue a final bond determination after the comment period has expired. The company, or any person with an interest that may be adversely affected by DEQ's final bond determination, may obtain a contested case hearing before the Board of Environmental Review. A written request for a hearing must be filed with DEQ within 30 days of the issuance of the final bond determination, stating the reason for the request.

Requests for copies of the bond calculation associated with the comprehensive bond review, and any related questions should be directed to Eric Dahlgren, Hard Rock Mining Section Supervisor, Mining Bureau, Department of Environmental Quality, PO Box 200901, Helena, MT 59620-0901, by telephone at (406) 444-5245 or by e-mail at edahlgren@mt.gov.